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February 27, 1998

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Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

VIA HAND DELIVERY

Re: Notice of Ex Parte Presentation:

In the Matter of Telmex/Sprint Communications,
L.L.C. -- File No. ITC-97-127

IB Docket No. 97-142 -- In the Matter of Rules and
Policies on Foreign Participation in the U.S.
Telecommunications Market

CC Docket No. 96-263 -- In the Matter of Usage of
Public Switched Network by Information Service and
Internet Access Providers

Dear Ms. Salas:

On February 26, 1998, three separate meetings were held on behalf of IXC Communications, Inc. ("IXC") with the following Commission personnel: (1) Paul Misenor, Senior Legal Advisor to Commissioner Furchtgott-Roth; (2) Peter Tenhula, legal advisor for Commissioner Powell, and David Siddall, legal advisor for Commissioner Ness; and (3) Diane Cornell, Chief, Telecommunications Division of the International Bureau; Robert Stephens, Senior Advisor on Latin America and the Caribbean with the Telecommunications Division of the International Bureau; and James Hedlund, an attorney with the Telecommunications Division of the International Bureau. The persons attending each meeting on behalf of IXC were: John R. Fleming, President of Emerging Markets for IXC; Gary L. Mann, Assistant General Counsel - Regulatory Affairs for IXC; and James E. Magee and Kristie Stokes Hassett, of Reboul, MacMurray, Hewitt, Maynard & Kristol, counsel for IXC.

At these meetings, the following topics and issues were discussed by IXC:

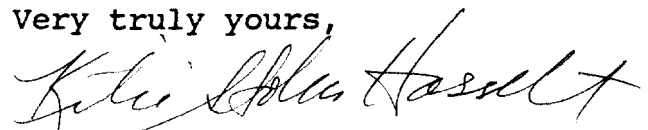
1. The current regulatory and economic environment effectively prevents the development of telecommunications

competition in Mexico. Telmex receives a 58 percent subsidy, which it does not need, and the transition to a settlement rate of 19 cents unjustifiably delays savings to U.S. carriers and their subscribers.

2. Some U.S. carriers also are subverting legitimate competition by improperly using International Simple Resale ("ISR") to avoid Mexican settlement rates. Although Cofatel is aware of such "rogue" carriers, it has been ineffective in preventing this illegal conduct. The prohibition on ISR to Mexico should either be enforced, or current regulations should be changed to allow ISR.
3. Voice over the Internet is apparently also being used by some carriers.
4. IXC has an indirect ownership interest in Progress International, L.L.C. ("Progress"), which holds a 49 percent interest in MarcaTel, S.A. de C.V., a Mexican competitive long distance and international telecommunications carrier. Based on the current adverse economic and regulatory situation, IXC and MarcaTel have decided to limit further investment by MarcaTel and to reduce MarcaTel's scope of operations in Mexico.
5. The following steps should be taken to encourage the development of legitimate competition in Mexico and on the U.S.-Mexico route: (i) eliminate the 58 percent subsidy to Telmex; (ii) accelerate the pace of the reduction of the settlement rate to 19 cents; and (iii) enforce the current prohibition on International Simple Resale to Mexico.
6. The possibility of alternative settlement arrangements was discussed.

Please contact me if you have any questions.

Very truly yours,



Kristie Stokes Hassett

cc: All Commission Meeting Participants